

104TH CONGRESS  
2D SESSION

# S. 2076

To increase economic benefits to the United States from the activities of  
cruise ships visiting Alaska.

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 16, 1996

Mr. MURKOWSKI introduced the following bill; which was read twice and  
referred to the Committee on Commerce, Science, and Transportation

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## A BILL

To increase economic benefits to the United States from  
the activities of cruise ships visiting Alaska.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FINDINGS.**

4       Congress finds the following:

5           (1) It is in the interest of the United States to  
6       maximize economic return from the growing trade in  
7       cruise ships sailings to and from Alaska by encour-  
8       aging the use of United States berthing and repair  
9       facilities, labor, supplies, and other services, as well  
10      as the growth of new enterprises such as the car-

1     riage of passengers on luxury cruises between ports  
2     in Alaska.

3           (2) In promoting additional economic benefits  
4      to the United States from the cruise ship industry,  
5      there is a need to ensure that existing employment  
6      and economic activity associated with the Alaska  
7      Marine Highway System, United States-flag tour  
8      boats operating from Alaska ports, and similar Unit-  
9      ed States enterprises are protected from adverse im-  
10     pacts.

11           (3) Cruise ship sailings to Alaska comprise a  
12     vital and growing segment of the United States trav-  
13     el industry. Since 1989, the number of Alaska tourist  
14     arrivals via cruise ship has grown by 86 percent.  
15     With over one-half million passengers per year, Alas-  
16     ka has become the third most popular cruise des-  
17     tination in the world, after the Caribbean and Eu-  
18     rope.

19           (4) No United States-flag cruise ships are pres-  
20     ently available to enter the Alaska trade. Thus, all  
21     cruise ships carrying passengers to and from Alaska  
22     destinations are foreign-flag vessels which are pre-  
23     cluded, under current law, from carrying passengers  
24     between United States ports.

## 17 SEC. 2. FOREIGN FLAG CRUISE VESSELS.

18 (a) WAIVER.—Notwithstanding provisions of section  
19 8 of the Act of June 19, 1886 (46 U.S.C. 289), or any  
20 other provision of law, passengers may be transported in  
21 foreign-flag cruise vessels between ports in Alaska and be-  
22 tween ports in Alaska and other ports on the west coast  
23 of the contiguous states, except as otherwise provided by  
24 this section.

1       (b) COASTWISE TRADE.—Upon a showing satisfac-  
2 tory to the Secretary of Transportation, by the owner or  
3 charterer of a United States cruise vessel, that service  
4 aboard such vessel qualified to engage in the coastwise  
5 trade is being offered or advertised pursuant to a Certifi-  
6 cate of Financial Responsibility for Indemnification of  
7 Passengers for Nonperformance of Transportation (46  
8 App. U.S.C. 817(e)) for service in the coastwise trade be-  
9 tween ports in Alaska or between ports in Alaska and  
10 other ports on the west coast of the contiguous states, or  
11 both, the Secretary shall notify the owner or operator of  
12 one or more foreign-flag cruise vessels transporting pas-  
13 sengers under authority of this section, if any, that he  
14 shall, within one year from the date of notification, termi-  
15 nate such service. Coastwise privileges granted to any  
16 owner or operator of a foreign-flag cruise vessel under this  
17 section shall expire on the 365th day following receipt of  
18 the Secretary's notification.

19       (c) NOTIFICATION.—Notifications issued by the Sec-  
20 retary under subsection (b) of this section shall be issued  
21 to the owners or operators of foreign-flag cruise vessels—  
22           (1) in the reverse of the order in which foreign-  
23 flag cruise vessels entered the coastwise service  
24 under this section determined by the date of the ves-  
25 sels' first coastwise sailing; and

6 (d) TERMINATION.—If, at the expiration of the 365-  
7 day period specified in subsection (b) of this section, the  
8 United States cruise vessel that has offered or advertised  
9 service pursuant to a Certificate of Financial Responsibil-  
10 ity for Indemnification of Passengers for Nonperformance  
11 of Transportation (46 App. U.S.C. 817(e)) has not en-  
12 tered the coastwise passenger trade between ports in Alas-  
13 ka or between ports in Alaska and other ports on the west  
14 coast of the contiguous states, then the termination of  
15 service required by subsection (b) shall not take effect  
16 until 90 days following the entry into trade by the United  
17 States vessel.

18 (e) DEFINITIONS.—For the purposes of this section,  
19 the term—

20 (1) "cruise vessel" means a vessel of greater  
21 than 5,000 deadweight tons which provides a full  
22 range of luxury accommodations, entertainment, din-  
23 ing and other services for its passengers; and

4 (B) which serve residents of their ports of call  
5 in Alaska or other ports in the United States as a  
6 common or frequently used means of transportation  
7 between United States ports.

8 (f) DISCLAIMER.—Nothing in this Act shall be con-  
9 strued as affecting or otherwise modifying the authority  
10 contained in the Act of June 30, 1961 (46 U.S.C. 289(b))  
11 authorizing the transportation of passengers and mer-  
12 chandise in Canadian vessels between ports in Alaska and  
13 the United States.

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